Mr. H. F. Wochholz McDonnell Douglas Electronics Corporation P.O. Box 426 St. Charles, Missouri 63301



Monroe Institute

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Applied Sciences

May 17, 1982

Dear Hal:

First, a warm thanks for the gracious hospitality you and your associates gave us during our visit to MDEC. This, coupled with the broad over-view of MDEC's operations and the results of our discussions made it indeed a momentous event for all of us.

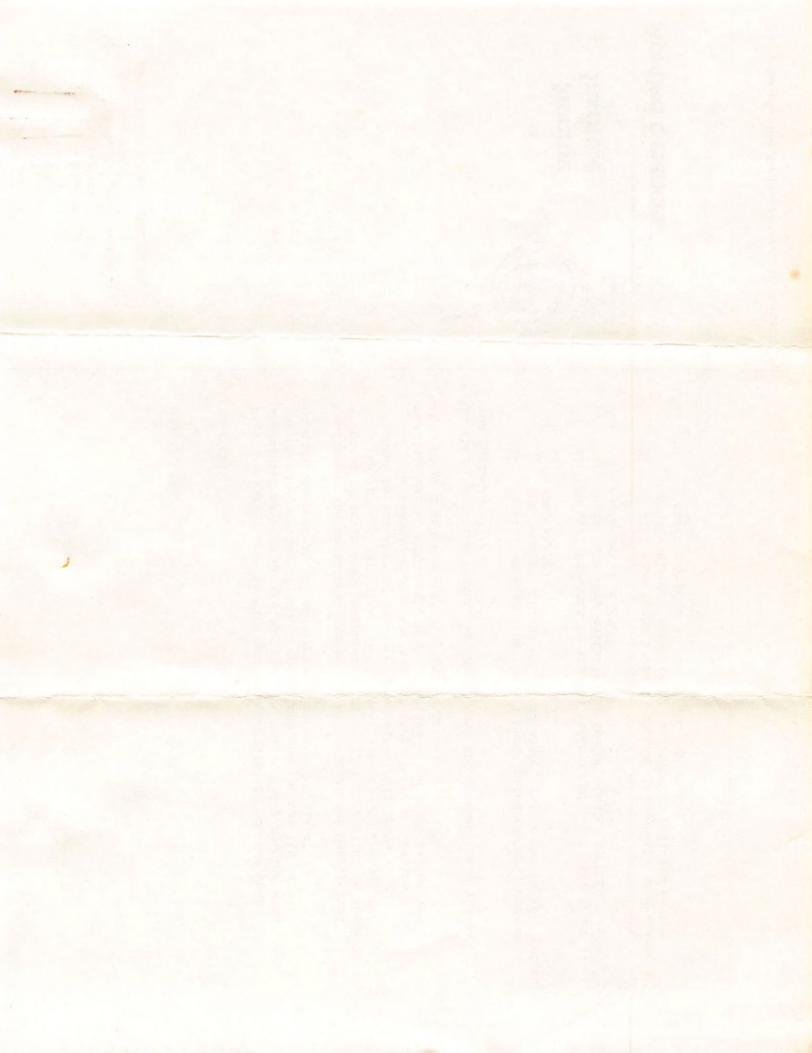
Confirming the decisions reached, we will submit our Unsolicited Proposal to train Army personnel in sleep/rest discipline as Phase I of a two level plan. Phase II will be a subsequent Proposal for purchase by the Army of self-contained electronic units which embody the technique and processes of Phase I, to be developed and manufactured by MDEC. The Monroe Institute and MDEC will engage in both Phase I and Phase II as joint ventures.

As there is a time factor, we should move ahead immediately along the following lines:

- 1. We will complete the Phase I Unsolicited Proposal document.

 Upon completion, we will send a copy for review by appropriate

 MDEC staff.
- 2. We will transmit to you the basic requirements for Phase II units in a form suitable for design studies by MDEC engineering staff.
- 3. We will submit the Phase I Proposal through the Army channels we have already established, unless MDEC believes better results may be achieved by another route.



- 4. Various MDEC (or MDC) services or departments will be available if needed for processing the Phase I Proposal. These will be provided at a minimum consultation fee to the Phase I project.
- 5. The Phase II Proposal will be submitted after study and preparation by MDEC and the Institute.
- 6. MDEC's Legal Department will prepare suitable legal documents covering our relationship in these projects.

This is at least a starting point, Hal. I have left out much that we covered, but I'm sure these will surface later. Incidentally, the patent number is 3,884,218.

If you have any comments or questions, do give me a call.

With best regards,

MONROE INSTITUTE OF APPLIED SCIENCES

Robert A. Monroe

President

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